

Charter
Department of Defense Board of Actuaries

1. Committee's Official Designation: The Committee will be known as the Department of Defense Board of Actuaries ("the Board").
2. Authority: The Secretary of Defense, pursuant to 10 U.S.C. § 183 and in accordance with the provisions of the Federal Advisory Committee Act (FACA) of 1972 (5 U.S.C., Appendix, as amended) and 41 C.F.R. § 102-3.50(a), established the Board.
3. Objectives and Scope of Activities: The Board, through the Office of the Under Secretary of Defense for Personnel and Readiness (USD(P&R)), shall provide the Secretary of Defense and the Deputy Secretary of Defense with independent advice and recommendations on matters relating to the Department of Defense (DoD) Military Retirement Fund, the DoD Education Benefits Fund, the DoD Voluntary Separation Incentive Fund, and other funds as the Secretary of Defense shall specify, as set out in paragraph four below.
4. Description of Duties: The Board shall submit to the Secretary of Defense on an annual basis a report on the actuarial status of each of the following funds and, in doing so, shall:
 - a. Review valuations of the DoD Military Retirement Fund, pursuant to 10 U.S.C. § 1465(c), and submit to the President and Congress, not less often than once every four years, a report on the status of the Fund, including such recommendations for modifications to the funding or amortization of that Fund as the Board considers appropriate and necessary to maintain that Fund on a sound actuarial basis;
 - b. Review valuations of the DoD Education Benefits Fund, pursuant to 10 U.S.C. § 2006(e), and make recommendations to the President and Congress on such modifications to the funding or amortization of that Fund as the Board considers appropriate to maintain that Fund on a sound actuarial basis;
 - c. Review valuations of the DoD Voluntary Separation Incentive Fund and make recommendations to the President and Congress, on such modifications to the funding or amortization of that Fund as the Board considers appropriate to maintain that Fund on a sound actuarial basis.
 - d. Review valuations of such other funds as the Secretary of Defense shall specify for purposes of 10 U.S.C. § 183 and make recommendations to the President and Congress on such modifications to the funding or amortization of such funds as the Board considers appropriate to maintain such funds on a sound actuarial basis; and
 - e. Furnish advice and opinions on matters referred to the Board by the Secretary of Defense.

The Secretary of Defense shall ensure that the Board has access to such records regarding the DoD Military Retirement Fund, the DoD Education Benefits Fund, the DoD Voluntary Separation Fund, and other funds specified by the Secretary of Defense for purposes of 10 U.S.C. § 183 as the Board shall require to determine the actuarial status of such funds.

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5. Agency or Official to Whom the Committee Reports: The Board shall report to the Secretary of Defense and the Deputy Secretary of Defense, through the USD(P&R). The Secretary of Defense, the Deputy Secretary of Defense, or the USD(P&R) may act upon the Board's advice and recommendations.
6. Support: The DoD, through the Office of the USD(P&R), shall provide support, as deemed necessary for the Board's performance of its functions, and shall ensure compliance with the requirements of the FACA, the Government in the Sunshine Act of 1976 (5 U.S.C. § 552b, as amended) ("the Sunshine Act"), governing Federal statutes and regulations, and established DoD policies and procedures.
7. Estimated Annual Operating Costs and Staff Years: The estimated annual operating cost, to include travel, meetings, and contract support, is approximately \$103,000.00. The estimated annual personnel cost to the DoD is 0.6 full-time equivalents.
8. Designated Federal Officer: The Board's Designated Federal Officer (DFO) shall be a full-time or permanent part-time DoD employee and shall be appointed pursuant to governing DoD policies and procedures.

The Board's DFO is required to be in attendance at all meetings of the Board for the entire duration of each and every meeting. However, in the absence of the Board's DFO, a properly approved Alternate DFO, duly appointed to the Board according to established DoD policies and procedures, shall attend the entire duration of all meetings of the Board.

The DFO, or the Alternate DFO, shall call all meetings of the Board; prepare and approve all meeting agendas; and adjourn any meeting when the DFO, or the Alternate DFO, determines adjournment to be in the public interest or required by governing regulations or DoD policies and procedures.

9. Estimated Number and Frequency of Meetings: The Board shall meet at the call of the Board's DFO, in consultation with the Board's Chair. The estimated number of Board meetings is one per year.
10. Duration: The need for this advisory function is on a continuing basis; however, this charter is subject to renewal every two years.
11. Termination: The Board shall terminate upon rescission of 10 U.S.C. § 183.
12. Membership and Designation: The Board shall be comprised of three members who are appointed by the Secretary of Defense or the Deputy Secretary of Defense from among qualified professional actuaries who are members of the Society of Actuaries. Their membership shall be renewed by the Secretary of Defense or the Deputy Secretary of Defense on an annual basis.

Board members shall serve for a term of 15 years, except that a member of the Board appointed to fill a vacancy occurring before the end of the term for which the predecessor

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was appointed shall serve only until the end of such term. A member may serve after the end of the member's term until a successor takes office. A member of the Board may be removed by the Secretary of Defense only for misconduct or failure to perform functions vested in the Board.

Board members appointed by the Secretary of Defense or the Deputy Secretary of Defense, who are not full-time or permanent part-time Federal employees, shall be appointed as experts and consultants, pursuant to 5 U.S.C. § 3109, to serve as special government employee (SGE) members, and shall, pursuant to 10 U.S.C. § 183(b)(4), serve with compensation, to include official Board-related travel and per diem. A member of the Board who is not an employee of the United States is entitled to receive pay at the daily equivalent of the annual rate of basic pay of the highest rate of basic pay than is currently being paid under the General Schedule of subchapter III of chapter 53 of title 5, U.S.C., for each day the member is engaged in the performance of the duties of the Board. Board members appointed by the Secretary of Defense or Deputy Secretary of Defense, who are full-time or permanent part-time Federal employees, shall be appointed, pursuant to 41 C.F.R. § 102-3.130(a), to serve as regular government employee (RGE) members.

The DoD shall provide non-voting technical advisors to assist the Board in execution of its duties. The following individuals shall designate one DoD employee for each fund under the Board's purview (the DoD Military Retirement Fund, the DoD Education Benefits Fund, and other funds specified by the Secretary of Defense for purposes of 10 U.S.C. § 183) to serve as a non-voting advisor to assist the Board:

- a. Under Secretary of Defense (Comptroller)/Chief Financial Officer, Department of Defense;
- b. Assistant Secretary of Defense for Readiness and Force Management, through the Deputy Assistant Secretary of Defense for Military Personnel Policy;
- c. Assistant Secretary of Defense for Reserve Affairs; and
- d. General Counsel of the Department of Defense.

In addition, the DoD Chief Actuary shall serve as a non-voting advisor and the Executive Secretary for the Board.

Each Board member is appointed to provide advice to the government on the basis of his or her best judgment without representing any particular point of view and in a manner that is free from conflict of interest.

13. Subcommittees: The DoD has determined that subcommittees are not authorized for this Board.
14. Recordkeeping: The records of the Board shall be handled according to section 2, General Records Schedule 26, and governing DoD policies and procedures. These records will be

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available for public inspection and copying, subject to the Freedom of Information Act of 1966 (5 U.S.C. § 552, as amended).

15. Filing Date: July 1, 2014